



6 March 2008

FURTHER SIGNIFICANT INTERSECTIONS AT THE HORN INCREASING WILDARA NICKEL POTENTIAL

KEY POINTS

- Further significant intersections from four diamond drill holes at the Horn Prospect:
 - 13.7m of massive sulphides within an 18.9m zone, which also includes disseminated sulphides, from 132.5m (assays awaited)
 - 1.15m @ 2.21% Ni and 0.47% Cu from 139.75m
 - 1.96m @ 2.09% Ni and 0.43% Cu from 143.88m
 - 9.38m of matrix sulphides from 122.00m (assays awaited)
- Mineralisation delineated over an increased strike extent of +300 metres and still open to the north and south.
- Nature and thickness of intersections indicates significant resource potential.
- Drilling continuing to target extensions of the zone and several strong, nearby EM conductors.

Breakaway Resources Limited (ASX: **BRW**) is pleased to report further significant nickel sulphide intersections from **the Horn Prospect** at its 100%-owned **Wildara Nickel Project** (Figure 1) in Western Australia's Northeastern Goldfields. The results, together with a reassessment of the broader exploration potential of the Wildara Project, have confirmed this as a priority exploration focus.

The Wildara Project tenements are located in the Perseverance – Mt Keith ultramafic belt, one of the world's major nickel sulphide provinces which hosts several large nickel deposits, including those in the Perseverance, Cosmos and Mt Keith districts to the north. The more recent Waterloo and Sinclair nickel discoveries are also respectively located nearby to the east and south of Breakaway's project. To date, Breakaway has completed a total of 14 widely-spaced diamond drill holes at the Horn Prospect, which was originally discovered by a programme of five holes drilled by LionOre Mining International in 2004.

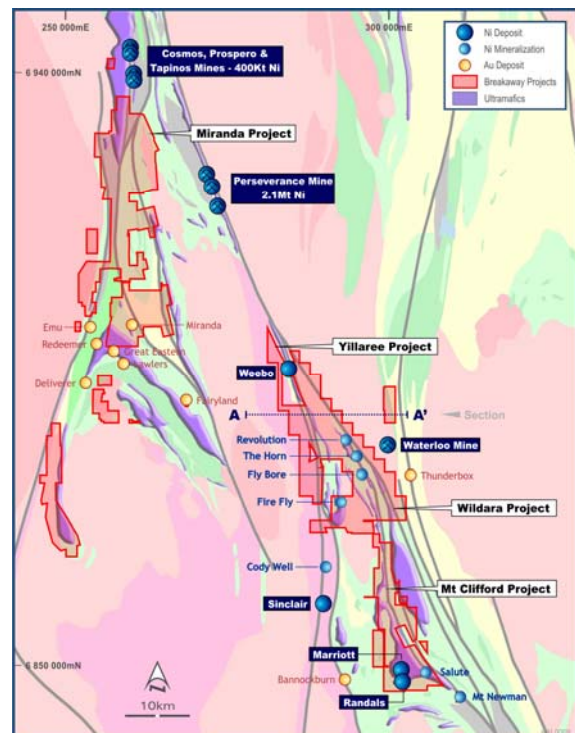


Figure 1: Wildara Nickel Project Location Plan



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The following new intersections have been recorded at the Horn prospect (Figure 2):

- 08BWDD0009** 1.15m @ 2.21% Ni and 0.47% Cu from 139.75m
- 08BWDD0011** 1.96m @ 2.09% Ni and 0.43% Cu from 143.88m
- 08BWDD0015** 18.9m of disseminated, matrix and massive sulphides from 132.5m (assays awaited)
Including 12.3 metres of massive sulphides from 132.5m, and
1.4 metres of massive sulphides from 145.7m
- 08BWDD0012** 9.38m of matrix sulphides from 122.00m (assays awaited)

Holes 08BWDD0009 and 08BWDD0011 were respectively located 73 metres and 150 metres south of the wide massive nickel sulphide intersection announced on 5 February 2008 in Breakaway's first drill hole, 07BWDD0001 (**10.44m @ 2.19% Ni and 0.50% Cu** from 134.56m).

The **massive sulphide intersection** in hole **08BWDD0015**, for which assays are awaited, is identical in appearance to the 07BWDD0001 intersection located some 170 metres to the south. The **matrix sulphide intersection** in hole **08BWDD0012**, for which assays are also awaited, is located approximately 30 metres west of the 07BWDD0001 intersection.

The 08BWDD0015 intersection is the thickest and most northerly recorded to date, highlighting the potential for both thickened zones and additional extensions of massive sulphide mineralisation. The drilling programme has added substantial new extensions of massive, matrix and disseminated nickel sulphide mineralisation within a flat-plunging, shallow, easterly dipping and northerly trending, linear corridor delineated **over a strike length of about 300 metres**.

The extent and widths of the intersections achieved to date **highlight the potential to delineate significant tonnages of mineralisation within this zone**.

The zone remains open to the north, south and west and has been closed off to the east on only one drill section on which 07BWDD0001 is located. The Horn mineralisation is completely blind due to the obscuring effects of an overlying basalt carapace, which presents an exploration opportunity that has only been superficially evaluated in the past.

A re-evaluation of the historical TEM results and recent downhole TEM results have successfully defined conductors immediately adjacent to the Horn mineralised corridor which could relate to nickel sulphides.

Breakaway estimates that only about 5% of the immediate prospective strike – which extends for about 18 kilometres to the north and south of the Horn – has been explored. This offers excellent potential to discover nickel mineralisation on multiple prospective contacts. The broader potential is demonstrated by LionOre's 2004/05 drilling, which intersected **high-tenor** nickel sulphide mineralisation (up to 5% Ni) with associated high concentrations of platinum-palladium (up to 3g/t Pt + Pd) at the **Revolution Prospect**, located approximately 4 kilometres along strike to the northwest of the Horn Prospect.



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The low nickel tenor, higher copper content and nature of the Horn mineralisation **suggests that it has possibly been remobilised from a primary source** yet to be discovered. Breakaway believes that the potential to discover higher tenor/higher grade massive sulphide nickel mineralisation in this region is excellent, based on the close juxtaposition of both low and high tenor sulphide zones in the Waterloo area, 7 kilometres to the east, and the occurrence of high tenor sulphides at Revolution.

Commenting on the latest results, Breakaway's Managing Director, Mr Peter Buck, said: "Recent drilling at the Horn indicates the potential of the Wildara Project to deliver a company-changing discovery within one of the world's most prolific nickel sulphide districts. The success vindicates the company's strategy to immediately activate exploration in this under-explored belt as drilling resources became available."

"The Horn drilling success has added substantial momentum to our overall exploration strategy which is also focussed on rapidly progressing recent, significant nickel discoveries at Scotia and West Kambalda", Mr Buck added. "We are continuing to progress all three of these significant opportunities, each of which has the potential to deliver a quality nickel production asset for Breakaway."

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For further information contact: Mr Peter Buck Managing Director Breakaway Resources Limited Mobile: 0411 554 099	Mr David Hutton Exploration Manager Breakaway Resources Limited Mobile: 0417 974 843 Business: (08) 9278 6444
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Competent Persons Statement:

The information in this report that relates to Exploration Results is based on information compiled by Mr Peter Buck (Managing Director) and Mr David Hutton (Exploration Manager), both full time employees of the Company. Mr Buck and Mr Hutton are members of the Australasian Institute of Mining and Metallurgy (AusIMM) and have sufficient experience of relevance to the styles of mineralisation and the types of deposits under consideration, and to the activities undertaken, to qualify as a Competent Person as defined in the 2004 Edition of the Joint Ore Reserves Committee (JORC) Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves.

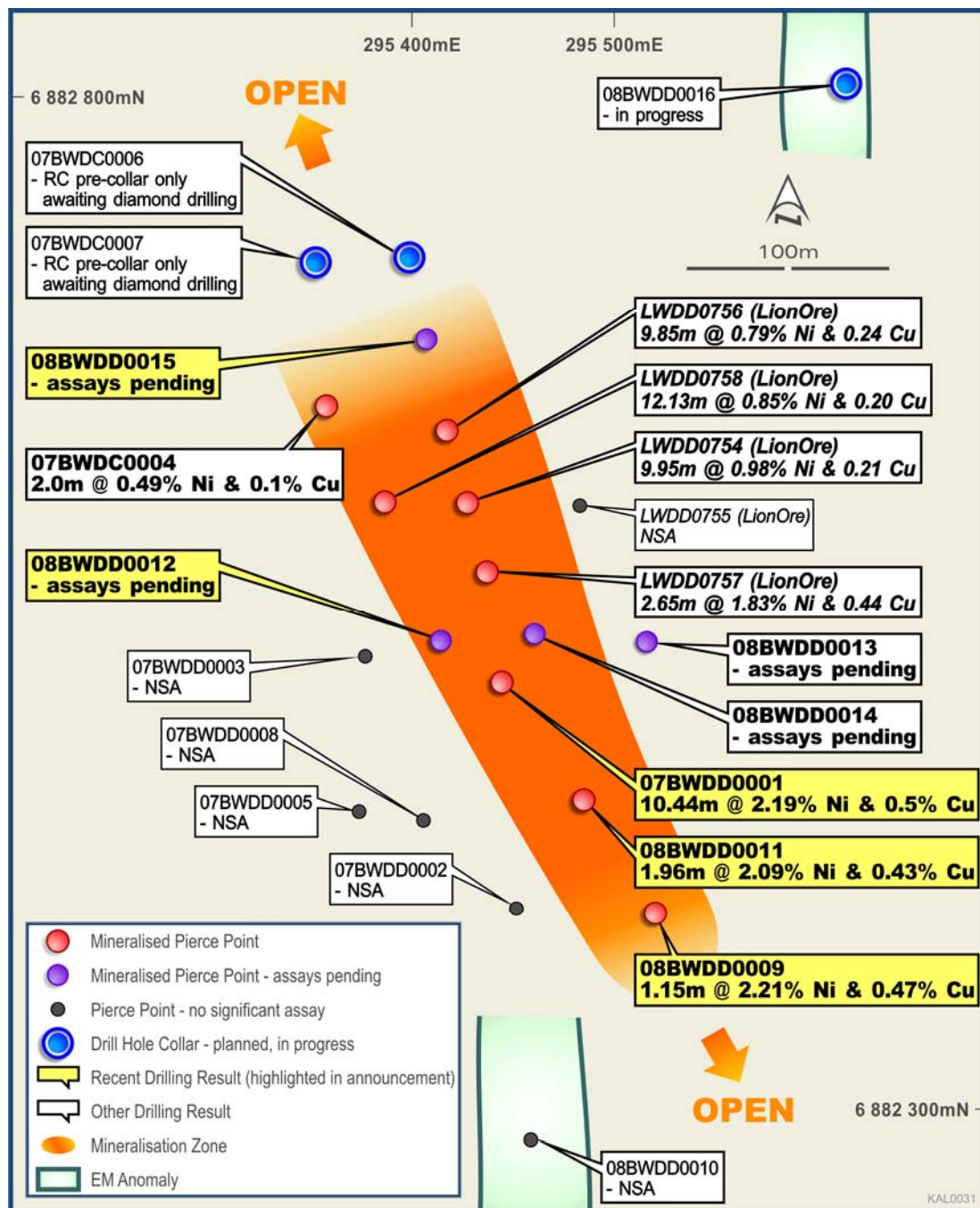


Figure 2: Plan Projection of Drillhole Intersections and Mineralised Zone at the Horn, Wildara Nickel Project